



Billing Code: 3510-DS-P

## **DEPARTMENT OF COMMERCE**

### **International Trade Administration**

**[C-570-984]**

#### **Drawn Stainless Steel Sinks from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** As a result of this sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty order would be likely to lead to the continuation or recurrence of a countervailable subsidy at the levels indicated in the “Final Results of Review” section of this notice.

**DATES:** Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:** David Crespo, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3693.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On April 11, 2013, Commerce published its countervailing duty order on drawn stainless

steel sinks from China.<sup>1</sup> On March 5, 2018, Commerce published the notice of initiation of the first sunset review of the countervailing duty order on drawn stainless steel sinks from China pursuant to section 751(c) of the Act.<sup>2</sup> On March 16, 2018, Commerce received a notice of intent to participate from Elkay Manufacturing Company (Elkay), a domestic interested party, within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>3</sup> Elkay claimed interested party status under section 771(9)(C) of the Act as a producer of stainless steel sinks in the United States.

On April 2, 2018, Commerce received an adequate substantive response to the notice of initiation from Elkay within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>4</sup> We received no substantive responses from respondent interested parties with respect to the order covered by this sunset review.

On April 10, 2018, Commerce notified the U.S. International Trade Commission (ITC) that it did not receive an adequate substantive response from respondent interested parties.<sup>5</sup> As a result, pursuant to 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the countervailing duty order on drawn stainless steel sinks from China.

### Scope of the Order

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<sup>1</sup> See *Drawn Stainless Steel Sinks from the People's Republic of China: Countervailing Duty Order*, 78 FR 21596 (April 11, 2013) (*Order*).

<sup>2</sup> See *Initiation of Five-Year (Sunset) Reviews*, 83 FR 9279 (March 5, 2018).

<sup>3</sup> See Letter from Elkay "First Five-Year ('Sunset') Review of Countervailing Duty Order on Drawn Stainless Steel Sinks from the People's Republic of China/ Elkay Manufacturing Company's Notice of Intent to Participate," dated March 16, 2018.

<sup>4</sup> See Letter from Elkay "First Five-Year ('Sunset') Review of the Countervailing Duty Order on Drawn Stainless Steel Sinks from the People's Republic of China/Substantive Response to the Notice of Initiation," dated April 2, 2018.

<sup>5</sup> See Letter to the ITC re: "Sunset Reviews Initiated on March 5, 2018," dated April 10, 2018.

The merchandise covered by the order includes drawn stainless steel sinks with single or multiple drawn bowls, with or without drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel. Mounting clips, fasteners, seals, and sound-deadening pads are also covered by the scope of this order if they are included within the sales price of the drawn stainless steel sinks.<sup>6</sup> For purposes of this scope definition, the term “drawn” refers to a manufacturing process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Drawn stainless steel sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the order. Drawn stainless steel sinks are covered by the scope of the order whether or not they are sold in conjunction with non-subject accessories such as faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the scope of the order are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as “zero radius” or “near zero radius” sinks. The products covered by this order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under statistical reporting number 7324.10.0000

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<sup>6</sup> Mounting clips, fasteners, seals, and sound-deadening pads are not covered by the scope of this order if they are not included within the sales price of the drawn stainless steel sinks, regardless of whether they are shipped with or entered with drawn stainless steel sinks.

and 7324.10.0010. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

#### Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum,<sup>7</sup> which is hereby adopted by this notice. The issues discussed in the Issues and Decision Memorandum are the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy likely to prevail if the order were revoked. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

#### Final Results of Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the countervailing duty order on drawn stainless steel sinks from China would be

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<sup>7</sup> See Memorandum "Issues and Decision Memorandum for the Expedited First Sunset Review of the Countervailing Duty Order on Drawn Stainless Steel Sinks from the People's Republic of China," dated concurrently with this notice (Issues and Decision Memorandum).

likely to lead to the continuation or recurrence of a countervailable subsidy at the rates listed below:<sup>8</sup>

<u>Producer/Exporter</u>	<u>Net Subsidy Rate %</u>
Guangdong Yingao Kitcher Utensils Co., Ltd. and Forshan Magang Kitchen Utensils Co., Ltd. ....	4.90
Zhongshan Superte Kitchenware Co., Ltd. ....	12.31
Foshan Zhaoshun Trae Co., Ltd. ....	12.36
All Others .....	8.61

#### Notification to Interested Parties

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: July 2, 2018.

**Gary Taverman,**

*Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.*

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<sup>8</sup> See Order, 70 FR 21596, 21597.

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